



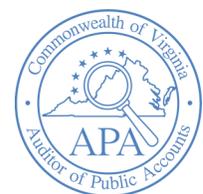
SCHEDULE OF REVENUES AND EXPENSES OF INTERCOLLEGIATE ATHLETICS FINANCIAL REPORTING GUIDANCE

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REPORT OF FOCUS GROUP ATHLETIC TASK FORCE

Chapter 704 of the Virginia Acts of Assembly – 2015 Session amended the Code of Virginia by adding a section numbered 23-1.2 pertaining to Intercollegiate athletics programs. Item B from section 23-1.2 is copied below:

No later than November 1, 2015, the Auditor of Public Accounts, in collaboration with the State Council of Higher Education for Virginia, the State Comptroller, the Department of Planning and Budget, and each institution, shall develop and implement a standardized reporting format for each institution to annually report its intercollegiate athletics revenue and expenses to the Auditor of Public Accounts that shall include treatment of student fees and classification of specific intercollegiate athletics programs and shall require expenses for spirit groups, indirect cost policy requirements, and debt service for previously approved intercollegiate athletics capital outlay projects and other intercollegiate athletics capital outlay projects to be reported on separate lines.

The organization known as FOCUS (Fiscal Officers of Colleges and Universities State Supported of Virginia) chose to establish an “athletic task force” to coordinate each institution’s perspective to the “standardized reporting format” requirement as noted in the legislation. The task force generally consisted of institutional finance staff involved in the annual preparation of the NCAA Report as audited by the Auditor of Public Accounts (APA). The task force met January 23, 2015 in Charlottesville, and again May 4-5, 2015 in Norfolk. Task force members and attendees at the meetings are listed in Appendix 2.

Task Force Conclusions and Recommendations:

- 1) ***The current APA Agreed Upon Procedures Report and its Schedule of Revenues and Expenses should be the “standardized reporting format” as required in the legislation.***

There are currently differences in the way institutions interpret and then prepare financial information for each reporting line based on NCAA guidelines (see Appendix 1 for a table of old and new reporting line definitions). These differences arose due to:

- Inconsistent and/or inaccurate interpretation of the NCAA reporting categories; and
- Institutional accounting and budgeting practices that differ in areas such as indirect facilities, administrative support, student-activity fees and organizational structure.

- 2) ***The individual lines on the Schedule of Revenues and Expenses in the Agreed Upon Procedures Report should follow all the same lines that are required to be entered into the NCAA Membership Online Reporting System.***

See Appendix 1 for information on the NCAA's Membership Financial Reporting System and for the NCAA's proposed changes to 2015 revenue and expense lines reporting. (NOTE – The NCAA has now incorporated the proposed revenue and expense line changes as appendices in the FY2015 Agreed Upon Procedures (AUP), available at the NCAA's Financial Reporting web-page). The reporting lines should be titled and follow the same order as noted in the AUP (Appendices A and B). AUP Appendix C "other reporting items" should be added as supplemental lines after the Statement of Revenues and Expenses, where applicable. Please use the NCAA Schedule Template provided as supplemental guidance to this report.

If there is any revenue or expense line with no balance, then that line should not be reported.

Exceptions: *As noted in the legislation, separate expense lines should be added to the Agreed Upon Procedures Report for Spirit Groups, Indirect Costs, and Debt Service.*

Spirit groups expense is on a separate line in the NCAA Online Reporting System, but Indirect Costs and Debt Service will need to be "extracted" from NCAA Online Reporting System lines 34 and 35 (see Appendix 1). For spirit groups, include ALL expenses, including salaries, benefits, and financial aid.

- 3) ***Institutions that are not required to have the annual Agreed Upon Procedures Report by the APA should use the total balances from each revenue and expense line entered into the NCAA Online Reporting System to meet the "standardized reporting format" requirement and subsidy calculation. Annually, these institutions should prepare a template similar in form to that noted in 2) above. The balances entered into the NCAA Online Reporting System should be the source for completing the template. These schools should determine which sports are reported separately on the template. The APA will audit these templates during the institution's regularly scheduled financial statement audit. (VSU, UMW, CNU, UVA-WISE)***
- 4) ***All institutions should prepare the Schedule of Revenue and Expenses on the accrual basis of accounting.***

Exceptions: *Report debt service as principal and interest paid. Depreciation is not included.*

- 5) ***Each institution should continue to determine which sports should be listed individually (columnar format) based on the significance of that sport to the athletics program as a whole.***
- 6) ***All student fees should be reported in the "non-program specific" column.***

Student fees are not typically assessed by individual sport, but generally for athletics as a whole. The only known institution to specifically assess a fee for a specific sport(s) is VT. VT should continue to report the related student fees in the appropriate sport(s) column.

- 7) ***Capitalized expenses and capital gifts as reported in the financial statements (Statement of Revenues, Expenses, and Changes in Net Position (section “Other revenues, expenses, gains and losses”) should not be included in the AUP Statement of Revenue and Expenses. Contributions or “in-kind” items for non-capitalized assets may be included. (See Appendix 3 for a copy of an email response from the NCAA on several capital related scenarios. The NCAA representative indicated that capital gifts and expenses that are capitalized should NOT be included in the Schedule of Revenues and Expenses).***

NOTE: AUP Line 8 “Contributions” revenue does include “funds contributed by outside contributors for the payment of debt service, lease payments or rental fee expenses for athletic facilities in the reporting year.”

- 8) ***Each school should ensure that similar activities are either directly charged or considered an indirect institutional support revenue and expense.***
- 9) ***Cost allocation should be consistent among all schools.***

Jeff O’Barr of the NCAA indicated (see Appendix 3) that a “Best Practices” document should be posted to the NCAA’s Financial Reporting web-page by 8/31/2015. That document is supposed to address cost allocation. College and university staff should review the best practices document to determine if it will provide necessary guidance on cost allocation principles. (Note – as of 10/7/15, the “Best Practices” document has not been posted on the NCAA’s Financial Reporting web-page. Jeff O’Barr indicated “I know we’re working on an updated FAQ document that I need to follow-up on, but a best practices document is a low priority for our team right now).

- 10) ***Effective date of NCAA changes and legislation.***

Institutions should prepare the fiscal year 2015 NCAA Agreed Upon Procedures report in accordance with the most recently published Agreed Upon Procedures. Institutions should attempt to adhere to the revenue and expense guidance published in this report for fiscal year 2015; however, this is not required. Institutions should prepare their FY2016 schedule in accordance with the guidance published in this report as a trial run for fiscal year 2017. The first measurement period for evaluating each institution’s subsidy percentage under HB1897 of the 2015 legislation session will be fiscal year 2017.

APPENDIX 1 – NCAA Membership Financial Reporting System

Beginning with the FY2004 reporting, the NCAA required EADA-related data to be submitted via an online application. The NCAA provided an excel-based version as a supplemental tool to assist in the collection of data. The NCAA maintains a policy of not releasing information submitted by individual institutions, only the aggregate results by NCAA division is released.

Revenue and Expenses Reporting: The NCAA requires that institutions submit revenues and expenses information for their athletic department as well as other general information online annually. This report is reviewed by the Chief Executive Officer of the institution prior to submitting electronically to the NCAA.

Agreed-Upon Procedures Reporting: The NCAA requires institutions to have an independent public accountant review their revenues and expenses according to the NCAA Agreed-Upon Procedures Guidelines. The report issued by the independent accountant is to be submitted to the Chief Executive Officer of the institution. The NCAA agreed-upon procedures reporting legislation for each of the three membership divisions are contained in Constitution 3.2.1.15.

- Division I - Annual report by a qualified independent accountant. (VT, UVA, ODU, JMU, WM, LW, NSU, VMI, GMU, RU, VCU)
- Division II – Once every 3 years, report by a qualified independent accountant. (VSU, UVA-WISE)
- Division III – All expenses and revenue on behalf of a Division III member institution’s intercollegiate athletics programs shall be subject to the institutions regular financial audit. (UMW, CNU)

For Virginia’s public institutions, the Auditor of Public Accounts performs the annual agreed-upon procedures report. That report includes a schedule of revenues and expenses, based on the total reporting line balances submitted online to the NCAA Membership Reporting System.

Reporting line definitions are noted in the table below. Lines 1-19 are revenue categories, lines 20-41 are expense categories, and lines 50-56 are information lines that are entered into the NCAA online reporting system, but not included in the schedule of revenue and expenses. The “old” definitions apply to FY2004-2014. The “new” definitions are applicable beginning in FY2015. The draft document with the new definitions is now part of the [NCAA’s agreed upon procedures document](#).

The NCAA made certain changes to the fiscal year 2016 reporting guidelines, including adding new lines for bowl revenues and expenses. Additions to the table below have been highlighted by an asterisk next to the category name (*). Appendix 4 was added for fiscal year 2016 based on frequently asked questions published by the NCAA.

ID	Category	Definition (Old)	Definition (New)	Task Force Comments
1	Ticket Sales	Include revenue received for sales of admissions to athletics events. Include ticket sales to the public, faculty and students, and money received for shipping and handling of tickets. Do not include ticket sales for conference and national tournaments that are pass-through transactions. Report amounts in excess of a ticket's face value paid by ticket purchasers (for example, to obtain preferential seating) in Category 4 (Contributions)	<p>Input revenue received for sales of admissions to athletic events. This may include:</p> <ul style="list-style-type: none"> • Public and faculty sales; • Student sales; and • Shipping and Handling fees. <p>Please report amounts paid in excess of ticket's face value to obtain preferential seating or priority in Category 8 (Contributions).</p>	No specific issues noted.
2	Direct State or Other Government Support	Include state, municipal, federal and other government appropriations made in support of the operations of intercollegiate athletics. This amount includes funding specifically earmarked to the athletics department by government agencies for which the institution has no discretion to reallocate. Any state or other government support appropriated to the university, for which the university determines the dollar allocation to the athletics department shall be reported in Direct Institutional Support (item 7).	Input state, municipal, federal and other appropriations made in support of athletics. This amount includes funding specifically earmarked for the athletics department by government agencies for which the institution cannot reallocate. Any state or other government support appropriated to the university, for which the university determines the dollar allocation to the athletics department shall be reported in Direct Institutional Support (Category 4).	Not applicable for Virginia public institutions.

3	Student Fees	Include student fees assessed and restricted for support of intercollegiate athletics.	Input student fees assessed and restricted for support of intercollegiate athletics.	Student fees should be reported in the “non-program specific” column unless a portion of the overall fee is specifically assessed/restricted for an individual sport. Only VT actually assesses a fee for several specific sports.
4	Direct Institutional Support	Include value of institutional resources for the current operations of intercollegiate athletics, as well as all unrestricted funds allocated to the athletics department by the university (e.g., state funds, tuition, tuition waivers and transfers). Also include Federal Work Study support for student workers employed by athletics. Report actual amounts and do not net with Transfers to Institution (category 37).	Input direct funds provided by the institution to athletics for the operations of intercollegiate athletics including: <ul style="list-style-type: none"> • Unrestricted funds allocated to the athletics department by the university (e.g. state funds, tuition, tuition waivers, transfers). • Federal work study support for student workers employed by athletics. • Endowment unrestricted income, spending policy distributions and other investment income distributed to athletics in the reporting year to support athletic operations. Athletics restricted endowment income for athletics should be reported in category 17. 	This category should include allocations from accumulated reserves, whether designated for athletics or not. It is applicable to a number of schools, but not significant to total revenue at most schools.

5	Less – Transfers to Institution		<p>If the institution allocated funds to athletics as represented in categories 3-4 and the athletics department provided a transfer of funds back to the institution in the reporting year, report the transfer amount as a negative in this category. The transfer amount may not exceed the total of categories 3-4. Transfers back to the institution in excess of categories 3-4 should be reported in line 50 – excess transfers to institution.</p>	<p>Typically not applicable.</p>
6	Indirect Institutional Support	<p>Include value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities, depreciation and debt service. If your institution does not currently track indirect institutional support, consult your business office for a reasonable allocation. If counted here, include offsetting expenditure equal in value in Expense Category 32 (Indirect Facilities and Administrative Support).</p>	<p>Input value of costs covered and services provided by the institution to athletics but not charged to athletics including:</p> <ul style="list-style-type: none"> • Facility debt service, rental fees or lease payments for the reporting year. • Administrative services provided by the university to athletics but not charged such as HR, Accounting and IT. • Facilities maintenance. • Security. • Risk Management. • Utilities. Do not include depreciation. <p>Note: This category should equal category 36. If the institution is paying for debt service, leases, or rental fees for athletic</p>	<p>Currently, no schools are assessing an indirect value NOT charged to athletics. Therefore Lines 6 and 36 are not applicable.</p>

			facilities, but not charging to athletics, include those amounts in category 6A.	
6A	Indirect Institutional Support – Athletic Facilities Debt Service, Lease and Rental Fees*		<p>Input debt service payments (principal and interest, including internal loan programs), leases and rental fees for athletics facilities for the reporting year provided by the institution to athletics but <u>not charged</u> to athletics.</p> <p>Do not report depreciation.</p> <p>Note: If the institution is paying for all athletic facilities debt service, lease, and rental fees and not charging to athletics, this category will equal category 34. If athletics or other entities are also paying these expenses or the institution is charging directly to athletics, this category will not equal category 34.</p>	This is a new line for fiscal year 2016
7	Guarantees	Include revenue received from participation in away games.	Input revenue received from participation in away games.	No specific issues noted.
8	Contributions	Include amounts received directly from individuals, corporations, associations, foundations, clubs or other organizations that are designated, restricted or unrestricted by the donor or the operation of the athletics program. Report amounts paid in excess of a ticket's value.	<p>Input contributions provided and used by athletics in the reporting year including:</p> <ul style="list-style-type: none"> • Amounts received from individuals, corporations, associations, foundations, clubs or other organizations designated for the operations of the athletics program; 	<p>Does the term “operations” indicate that capital related items should be excluded?</p> <p>Based on email response from Jeff O’Barr, the answer is YES.</p> <p>Does the item “do not</p>

		<p>Contributions shall include cash, marketable securities and in-kind contributions. In-kind contributions may include dealer-provided automobiles (market value of the use of a car), apparel and soft-drink products for use by staff and teams. Do not report pledges until funds are allocated. Report gifts and merchandise from corporate sponsorship agreements in Category 12 (Royalties, Licensing, Advertisement and Sponsorship).</p>	<ul style="list-style-type: none"> • Funds contributed by outside contributors for the payment of debt service, lease payments or rental fee expenses for athletic facilities in the reporting year; and • Amounts received above face value for tickets. Contributions shall include cash and marketable securities. <p>Do not report:</p> <ul style="list-style-type: none"> • Pledges until funds are provided to athletics for use. • Capital contributions to be used in other reporting years. 	<p>report capital contributions to be used in other reporting years” indicate we should pick up capital related contributions used in the current year (See above note on email from Jeff O’Barr).</p>
9	In-Kind	Previously in contributions	<p>Input market value of in-kind contributions in the reporting year including:</p> <ul style="list-style-type: none"> • Dealer provided automobiles • Equipment • Services • Nutritional product <p>All in-kind contributions that are made as a result of a licensing or sponsorship agreement should be reported in Category 15. Please offset in-kind values in the appropriate expense category.</p>	<p>New revenue line, previously in-kind revenue was included with contributions.</p>

10	Compensation and Benefits provided by a third party	Include all amounts provided by a third party and contractually guaranteed by the institution, but not included on the institution's W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, and shoe and apparel income). This should equal Expense Categories 22 and 24 combined.	<p>Input all benefits provided by a third party and contractually guaranteed by the institution, but not included on the institution's W-2. These may include:</p> <ul style="list-style-type: none"> • Country club membership • Allowances for clothing, housing, and entertainment. • Speaking fees. • Camps compensation. • Media income. • Shoe and apparel income. <p>The total of this category should equal expense categories 23 and 25 combined.</p>	Not applicable to most schools, most have all compensation reflected on schools W-2. However, VT indicated third-party contract with coaches.
11	Media Rights	Include institutional revenue received directly for radio and television broadcasts, Internet and e-commerce rights received through institution-negotiated contracts.	Input all revenue received for radio, television, internet, digital and e-commerce rights, including the portion of conference distributions related to media rights – if applicable. Consult with your conference offices if you do not have the media rights distribution amount available.	Only a new line IF all previous media revenue was part of conference distributions.
12	NCAA Distributions	Include revenue received from participation in bowl games, tournaments and all NCAA distributions. This category includes amounts received for direct participation or through a sharing arrangement with an athletics conference, including shares of	Input revenues received from all NCAA distributions including NCAA championships reimbursements and payments received from the NCAA for hosting a championship. In some cases, NCAA distributions may be provided by the conference office. Consult	12/13 now on separate lines, they were previously reported together.

		conference television agreements. If known by sport, report as such. Include any payments received from the NCAA for hosting a championship (permissible to include in Revenue Not Related to Specific Teams).	with the conference office for the amount if you do not have it available and include in this category.	
13	Conference Distributions (Non Media or Bowl)	Same as 12 above	<p>Input all revenues received by conference distribution, excluding portions of distribution relating to media rights (reported in category 11) or NCAA distributions (reported in category 13).</p> <p>Note: Conference distributions of revenue generated by a post-season bowl to conference members should be recorded in this category. Distributions for reimbursement of post-season bowl expenses should be included in Category 19.</p>	12/13 now on separate lines, they were previously reported together. Bowl Revenues are in Category 19 starting with Fiscal Year 2016.
14	Program, Novelty, Parking and Concession Sales	Include revenue of game programs, novelties, food or other concessions, and parking revenues. Revenue from sales of game program advertising is to be included in Revenue Category 12 (Royalties, Licensing, Advertisements and Sponsorships).	<p>Input revenues from:</p> <ul style="list-style-type: none"> • Game Programs. • Novelties. • Food and Concessions. • Parking. <p>Advertising should be included in Category 15.</p>	No specific issues noted.

15	Royalties, Licensing, Advertisement and Sponsorships	Include all revenue from corporate sponsorships, licensing, sales of advertisements, trademarks and royalties. An allocation will be necessary to distinguish revenues generated by athletics versus the university if payments are combined. Include the value of in-kind products and services provided as part of the sponsorship (e.g., equipment, apparel, soft drinks, water and isotonic products).	<p>Input revenues from:</p> <ul style="list-style-type: none"> • Sponsorships. • Licensing Agreements. • Advertisement. • Royalties. • In-kind products and services as part of sponsorship agreement. <p>An allocation may be necessary to distinguish revenues generated by athletics versus the university if payments are combined.</p>	No specific issues noted. GMU investigated appropriate revenue category for their third-party vendor that manages Patriot Center.
16	Sports Camp Revenues	Include amounts received by the athletics department for sports camps and clinics.	Input amounts received by the athletics department for sports camps and clinics.	No specific issues noted.
17	Athletics Restricted Endowment and Investments Income	Include endowment spending policy distribution and other investment income in support of the athletics department. These categories include only restricted investment and endowment income for the operations of intercollegiate athletics; institutional allocations of income from unrestricted endowments qualify as “Direct Institutional Support.”	Please report spending policy distributions from athletics restricted endowments and investment income used for athletics operations in the reporting year. This category includes only restricted investment and endowment income for the operations of intercollegiate athletics; institutional allocations of income from unrestricted endowments qualify as “Direct Institutional Support” and should be reported in line 4. Please make sure amounts reported are only up to the amount of expenses	Amounts reported as revenue are only recognized to the extent of expenses covered in the applicable year. (Similar to amounts received from related Foundations in support of Athletics’ operation – Revenue category 8).

			covered by the endowment for the reporting year.	
18	Other Operating Revenue	Less than five percent of total revenues may appear on this line. If the number is greater than five percent, please reclassify adequate revenue to the appropriate category(ies) above to bring the category to less than five percent of the total revenue.	Input any operating revenues received by athletics in the report year which cannot be classified into one of the stated categories. If the figure is greater than ten percent of total revenues, please report top three drivers in the comments section.	Footnote disclosure required.
19	Bowl Revenues*		Input all amounts received related to participation in a post-season bowl game, including: <ul style="list-style-type: none"> •Expense Reimbursements •Ticket Sales 	This is a new line for fiscal year 2016.
	Total Operating Revenues	Total of categories 1-17.	Total of categories 1-18.	
20	Athletic Student Aid	Include the total amount of athletically related student aid awarded, including summer school and tuition discounts and waivers (including aid given to student-athletes who have exhausted their eligibility or who are inactive due to medical reasons). Athletics aid awarded to non-athletes (student-managers,	Input the total amount of athletic student-aid for the reporting year including: <ul style="list-style-type: none"> • Summer school. • Tuition discounts and waivers (unless it is a discount or waiver available to the general student body). • Aid given to student-athletes who are inactive (medical reasons) or no 	Only exception is for any financial aid related to spirit groups. ALL expenses related to spirit groups should be included on line 33.

		graduate assistants, trainers) should be reported as Expenses Not Related to Specific Teams. It is permissible to report only dollars in the Expenses Not Related to Specific Teams row as long as you have reported non-zero entries for Equivalencies, Number of Students, and Dollars (all three required) for at least one sport.	longer eligible (exhausted eligibility). Athletics aid awarded to non-athletes (student managers, graduate assistants, trainers) should be reported as Expenses Not Related to Specific Teams. It is permissible to report only dollars in the Expenses Not Related to Specific Teams row as long as you have reported non-zero entries for Equivalencies, Number of Students, and Dollars (all three required for at least one sport). This information should be managed within the NCAA’s compliance assistance software. The information entered into compliance assistance will automatically populate to the athletic student aid section within the NCAA Financial Reporting System when the CAI import feature is selected.	
21	Guarantees	Include amounts paid to visiting participating institutions.	Input amounts paid to visiting participating institutions, including per diems and/or travel and meal expenses.	No specific issues noted.
22	Coaching Salaries, Benefits and Bonuses paid by the University and Related	Include gross salaries, bonuses and benefits provided to head and assistant coaches, which includes all gross wages, benefits and bonuses attributable to coaching	Input compensation, bonuses and benefits paid to all coaches reportable on the university or related entities W-2 and 1099 forms inclusive of:	Only exception is any salaries/benefits related to “severance pay” should be reported on line 26.

	Entities	that would be reportable on university and related entities (e.g., foundations, booster clubs) W-2 and 1099 forms (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, supplemental retirement allowance, compensation from camps, radio income, television income, tuition remission, earned deferred compensation benefits). Place any payment made to previous coaches to satisfy a contractual agreement for coaching in Category 23 (Severance Payments).	<ul style="list-style-type: none"> • Gross wages and bonuses. • Benefits including allowances, speaking fees, retirement, stipends, memberships, media income, tuition reimbursement and earned deferred compensation. <p>Place any severance payments in Category 26.</p> <p>Note: Bonuses related to participation in a post-season bowl game should be included in Category 41.</p>	
23	Coaching Salaries, Benefits and Bonuses paid by a Third Party	Include all compensation paid to the coaching staff by a third party and contractually guaranteed by the institution, but not included on the institution’s W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, shoe and apparel income). Expense Categories 20 and 22 combined should equal	<p>Input compensation, bonuses and benefits paid to all coaches by a third party and contractually guaranteed by the institution, but not included on the institutions W-2 including:</p> <ul style="list-style-type: none"> • Car stipend. • Country club membership. • Allowances for clothing, housing, entertainment. • Speaking fees. • Camps compensation. • Media income. • Shoe and apparel income. 	<p>Not applicable to most schools, most have all compensation reflected on schools W-2. However, VT indicated third-party contract with coaches.</p> <p>Example: NIKE pays coach directly, not through school.</p>

		Revenue Category 5 (Compensation and Benefits Provided by a Third Party).	Expense Category 23 and 25 should equal Category 10. Note: Bonuses related to participation in a post-season bowl game should be included in Category 41.	
24	Support Staff/ Administrative Compensation, Benefits and Bonuses paid by the University and Related Entities	Include gross salaries, bonuses and benefits paid to administrative staff (i.e., football secretary, sport-specific trainer) that would be reportable on university and related entities (e.g., foundations, booster clubs) W-2 and 1099 forms (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, supplemental retirement allowance, compensation from camps, radio income, television income, tuition remission, earned deferred compensation benefits). Staff members responsible for the gender-specific athletics department, but not a specific sport (i.e., director of men’s athletics), will have their compensation figures reported as Expenses Not Related to Specific Teams fields. Athletics department staff members who assist both men’s and women’s	Input compensation, bonuses and benefits paid to all administrative and support staff reportable on the university or related entities (e.g. foundations or booster clubs) W-2 and 1099 forms inclusive of: <ul style="list-style-type: none"> • Gross wages and bonuses. • Benefits including allowances, speaking fees, retirement, stipends, memberships, media income, tuition reimbursement and earned deferred compensation. <p>Staff members responsible for the gender-specific athletics department, but not a specific sport (i.e., director of men’s athletics), will have their compensation figures reported as Expenses Not Related to Specific Teams fields. Athletics department staff members who assist both men’s and women’s teams (sports information director, academic advisor) will be reported as Not Allocated by Gender</p>	Only exception is for any salaries/benefits related to spirit groups. ALL expenses related to spirit groups should be included on line 33

		teams (sports information director, academic advisor) will be reported as Not Allocated by Gender column.	column.	
25	Support Staff/ Administrative Compensation, Benefits and Bonuses paid by Third Party	Include all compensation paid to the support staff by a third party and contractually guaranteed by the institution, but not included on the institution's W-2 (e.g., car stipend, country club membership, entertainment allowance, clothing allowance, speaking fees, housing allowance, compensation from camps, radio income, television income, shoe and apparel income). Expense Categories 20 and 22 combined should equal Revenue Category 5 (Compensation and Benefits Provided by a Third Party).	Input compensation, bonuses and benefits paid to administrative and support staff by a third party and contractually guaranteed by the institution, but not included on the institutions W-2 including: <ul style="list-style-type: none"> • Car stipend. • Country club membership. • Allowances for clothing, housing, entertainment. • Speaking fees. • Camps compensation. • Media income. • Shoe and apparel income. Expense Category 23 and 25 should equal Category 10.	None noted by any school.
26	Severance Payments	Include severance payments and applicable benefits recognized for past coaching and administrative personnel.	Input severance payments and applicable benefits recognized for past coaching and administrative personnel.	
27	Recruiting	Include transportation, lodging and meals for prospective student-athletes and institutional personnel on official and unofficial visits, telephone call charges, postage and such. Include value of use of	Input transportation, lodging and meals for prospective student-athletes and institutional personnel on official and unofficial visits, telephone call charges, postage and such. Include value of use of institution's own	

		institution's own vehicles or airplanes as well as in-kind value of loaned or contributed transportation.	vehicles or airplanes as well as in-kind value of loaned or contributed transportation.	
28	Team Travel	<p>Include air and ground travel, lodging, meals and incidentals for competition related to preseason, regular season and postseason.</p> <p>Amounts incurred for food and lodging for housing the team before a home game also should be included. Include value of use of the institution's own vehicles or airplanes as well as in-kind value of donor-provided transportation.</p>	<p>Input air and ground travel, lodging, meals and incidentals (including housing costs incurred during school break period) for competition related to preseason, regular season and non-bowl postseason. Amounts incurred for food and lodging for housing the team before a home game also should be included. Include value of use of the institution's own vehicles or airplanes as well as in-kind value of donor-provided transportation.</p> <p>Note: Expenses related to post-season bowls should be included in Category 41.</p>	
29	Sports Equipment, Uniforms and Supplies	<p>Include items that are provided to the teams only. Equipment amounts are those expended from current or operating funds.</p>	<p>Input items that are provided to the teams only. Equipment amounts are those expended from current or operating funds. Include value of in-kind equipment provided.</p> <p>Note: Expenses related to post-season bowls should be included in Category 41.</p>	
30	Game Expenses	<p>Include game-day expenses other than travel that are necessary for intercollegiate athletics competition, including officials,</p>	<p>Input game-day expenses other than travel which are necessary for intercollegiate athletics competition, including officials, security, event</p>	

		security, event staff, ambulance and such.	staff, ambulance, etc. Input any payments back to the NCAA for hosting a championship or conference for hosting a tournament. Note: Expenses related to post-season bowls should be included in Category 41.	
31	Fund Raising, Marketing and Promotion	Include costs associated with fund raising, marketing and promotion for media guides, brochures, recruiting publications and such.	Input costs associated with fund raising, marketing and promotion for media guides, brochures, recruiting publications and such.	Noted any salaries and benefits should be on line 24.
32	Sports Camp Expenses	Include all expenses paid by the athletics department, including non-athletics personnel salaries and benefits, from hosting sports camps and clinics. Athletics personnel salaries and benefits should be reported in Categories 19, 20, 21 or 22.	Input all expenses paid by the athletics department, including non-athletics personnel salaries and benefits, from hosting sports camps and clinics. Athletics personnel salaries and benefits should be reported in Categories 22-25.	
33	Spirit Groups	Include support for spirit groups including bands, cheerleaders, mascots, dancers, etc.	Include support for spirit groups including bands, cheerleaders, mascots, dancers, etc. Note: Expenses related to post-season bowls should be included in Category 41.	Include ALL expenses, including any salaries/benefits and financial aid.
34	Athletic Facilities Debt Service, Leases and Rental Fees		Input debt service payments (principal and interest, including internal loan programs), leases and rental fees for athletics facilities for the reporting year regardless of entity paying (athletics, institution	Debt service payments will be on a separate line in the Agreed Upon procedures report.

			<p>or other). Do not report depreciation.</p> <p>Note: If the institution is paying for <u>all</u> the debt service, leases, or rental fees for athletic facilities but not charging to athletics, this category should equal Category 6A. If athletics or other entities are paying these expenses or the institution is charging directly to athletics, this category will not equal Category 6A.</p>	
35	Direct Overhead and Administrative Expenses	<p>Include direct facilities costs charged to intercollegiate athletics, including building and grounds maintenance, utilities, rental fees, operating leases, equipment repair and maintenance, and debt service.</p>	<p>Input overhead and administrative expenses paid by or charged directly to athletics including:</p> <ul style="list-style-type: none"> • Administrative/Overhead fees charged by the institution to athletics. • Facilities maintenance. • Security. • Risk Management. • Utilities. • Equipment Repair. • Telephone. • Other Administrative Expenses. 	<p>Indirect costs assessed and paid by athletics will be on separate line in the Agreed Upon Procedures report.</p>
36	Indirect Institutional Support	<p>Include value of facilities and services provided by the institution not charged to athletics. This support may include an allocation for institutional administrative cost, facilities and maintenance, grounds and field maintenance, security, risk management, utilities,</p>	<p>Input overhead and administrative expenses <u>NOT paid by or charged directly to athletics</u> including:</p> <ul style="list-style-type: none"> • Administrative/Overhead fees <u>not charged</u> by the institution to athletics. • Facilities maintenance. • Security. • Risk Management. 	<p>Currently, no schools are assessing an indirect value NOT charged to athletics. Therefore, Lines 6 and 36 should not be applicable for indirect cost.</p>

		depreciation and debt service. If your institution does not currently track indirect institutional support, consult your business office for a reasonable allocation. If counted here, include offsetting amount equal in value in Revenue in Category 8 (Indirect Facilities and Administrative Support).	<ul style="list-style-type: none"> • Utilities. • Equipment Repair. • Telephone. • Other Administrative Expenses. <p>Do not report depreciation.</p> <p>Note: This category should equal category 6.</p>	
37	Medical Expenses and Insurance	Include medical expenses and medical insurance premiums for student-athletes.	Input medical expenses and medical insurance premiums for student-athletes.	No specific issues noted.
38	Memberships and Dues	Include memberships, conference and association dues.	Input memberships, conference and association dues.	No specific issues noted.
39	Student-Athlete Meals (non-travel)*		<p>Include meal allowance and food/snacks provided to student-athletes.</p> <p>Note: Meals provided during team travel should be reported in Category 28.</p>	This is a new category for fiscal year 2016.
40	Other Operating Expenses	Other operating expenses include printing and duplicating, subscriptions, business insurance, telephone, postage, operating and equipment leases, non-team travel and any other operating expense not reported elsewhere. Do not include indirect administration overhead	<p>Input any operating expenses paid by athletics in the report year which cannot be classified into one of the stated categories, including:</p> <ul style="list-style-type: none"> • Non-team travel (conferences, etc.) • Team banquets and awards <p>If the figure is greater than</p>	<p>Some schools previously reported indirect costs paid by Athletics here. As noted, that should be reported on line 35 for the NCAA on-line system and separately on the Agreed Upon Procedures schedule.</p> <p>Footnote disclosure</p>

		provided by the university (use Category 32) or salaries and benefits (use Categories 19 or 21). Attempt to allocate all expenses to Categories 17 through 34 before using this category. As a guide, please limit this category to ten percent of total operating expenses. If the number is greater than ten percent please provide the top three categories and amounts in the comments section below.	ten percent of total expenses, please report top three drivers in the comments section.	required.
41	Bowl Expenses*		Input all expenditures related to participation in a post-season bowl game, including: <ul style="list-style-type: none"> • Team travel, lodging and meal expenses • Bonuses related to bowl participation • Spirit groups • Uniforms 	This is a new line for fiscal year 2016.
40	Total Operating Expenses	Total of categories 20-40.	Total of categories 20-41.	
50	Excess transfers to Institutions	Include, if applicable, the amount of athletic-generated revenues or athletic reserves that are contributed back to your institution for other institutional initiatives outside of athletics. Amount reported should	Input, if applicable, the amount of athletic-related funds for the reporting year that are contributed back to your institution that were not applicable to be counted or are in excess of those funds allowable to be counted in category 5 –	

		not be deducted from Direct Institutional Support (category 7) allocated to athletics by your institution.	Less Transfers to Institution.	
51	Conference Realignment Expenses		Input one time amounts paid by athletics and by the institution above normal operating expenses for conference realignment (e.g. exit fees, consulting fees, legal fees, signage, advertising, public relations) Ensure all regular operating expenses such as team travel are reported in the normal expense categories above. Any new revenues should be reported in conference distribution line 13. The amount submitted in this category should not be included in operating expense reporting categories 20-40 above.	
52	Total Athletics Related Debt		Input total value of athletics debt at the end of the reporting year. Note: This is the total value of athletics debt. Category 34 above represents payments made against debt held during the current reporting period.	
53	Total Institutional Debt		Input total value of institutional debt at the end of the reporting year. Ensure athletics related debt is included in the total figure, regardless of the athletics department	

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			structure.	
54	Value of Athletics Dedicated Endowments		Input total fair market value of athletics-dedicated endowments at the end of the reporting year.	
55	Value of Institutional Endowments		Input total fair market value of institutional endowments at the end of the reporting year.	
56	Total Athletics Related Capital Expenditures		Input cost of athletics related capital expenditures for the reporting year	This is a new category for fiscal year 2016

APPENDIX 2 – TASK FORCE MEETING ATTENDEES

JANUARY 23, 2015

Barb Starling, VT	Karen Webb, ODU
Beth Ratcliffe, RU	Katelin Gilbert, VMI
Bob Bussjaeger, GMU	Martha Carroll, WM
Dana Hall, UMW	Matthew Padfield, VMI
Dawn Schwartz, LW	Melody Webb, NSU
Heather Seymour, VCU	Randy Ellis, UVA
Jeanne Medford, GMU	Ron Shayka, GMU
Jimmy Rule, JMU	Sarah Underwood, RU
Julie Smith, UMW	Vicki Beckett, NSU

MAY 4-5, 2015

Allyson Moerman, UMW	Katelin Gilbert, VMI
Barb Starling, VT	Katie Everingham, WM
Beth Ratcliffe, RU	Ken Brown, ODU
Bob Bussjaeger, GMU	Martha Carroll, WM
Dawn Schwartz, LW	Nicole Turner, ODU
Heather Seymour, VCU	Randy Ellis, UVA
Jennifer Harris, RU	Sarah Underwood, RU
Jimmy Rule, JMU	Sherree Walker, WM
Julie Smith, UMW	Stephanie Jennelle, RU
Karen Webb, ODU	Teresa Conrad, VSU
Karla Amaya Gordon, NSU	Vanessa Sims, CNU

APPENDIX 3 – EMAIL RESPONSE FROM NCAA

Jimmy,

Sorry for the delay in my response. We were working through closing June when I received your message on Friday. We do plan to post a best practice document, but our timeline on that is currently 8/31. See my responses confirming our telephone conversation below in **red**. Hope this helps.



Jeff O'Barr

Associate Director of Accounting

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letters: Post Office Box 6222, Indianapolis, IN 46206-6222

packages: 1802 Alonzo Watford Sr. Dr., Indianapolis, IN 46202

From: Rule, James W - rulejw [<mailto:rulejw@jmu.edu>]

Sent: Friday, July 10, 2015 12:48 PM

To: O'Barr, Jeffrey

Subject: RE: FRS miscellaneous question - best practices document

Jeff,

Thanks for the information you provided last month. I see that the updated AUP Guide is available and that the new revenue/expense definitions are included as Appendix A and B.

I do have a several more questions:

It appears the reference to the "Best Practices" document was dropped from Line 36 (Appendix B - Expenses). I did not see that document on the web-page, so I'm asking if you believe it will be made available at some time in the future?

I also have several specific scenarios that I would like to get your thoughts on:

Most of the public schools in Virginia have been preparing the Schedule of Revenue and Expenses on the accrual basis of accounting, with some specific exceptions.

- A. We would typically not pick up an expense that was capitalized (added to our asset balances and subsequently depreciated). (I.E. not recognizing depreciation).
- B. We would typically pick up debt service, both principal and interest. Principal of course is not an expense in our financial statements, as it is a reduction of a liability.
- C. Most of our schools are not recognizing capital related items (gifts or contributions) if the asset is added to our balances and subsequently depreciated.

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I'd welcome any comments on the following scenarios:

- 1) The Athletic department purchases a 15-person van, \$50,000. Since the \$ amount and useful life would meet our capitalization policy, for our f/s, that transaction would be a debit to Equipment Assets and a credit to Cash. We then depreciate the asset over its useful life, recognizing depreciation expense each year. We would NOT pick this transaction up for the NCAA Schedule of Revenue/Expenses, nor would we include any depreciation expense. (Agree based on absence of capital expenditures from the AUP Reporting Categories. Additionally, Expense Category 34 clearly indicates that depreciation expense is to be excluded.)
- 2) NIKE provides \$75,000 in shoulder pads for the football team. For our f/s, we would need to recognize a "private gift" and also some kind of expense, most likely for equipment in the Athletic accounts. Since individual shoulder pads would not be capitalized, we'd pick up this transaction as both a contribution revenue and equipment expense for the NCAA Schedule of Revenue/Expenses. (Agree based on Revenue Category 9 and 15 definitions for "in-kind" contributions of equipment and the like. The expense would likely be in Expense Category 29.)
- 3) Private donor provides \$1,000,000 for new scoreboard at baseball field. Since the \$ amount and useful life would meet our capitalization policy, for our f/s, that transaction would be a debit to Equipment Assets and a credit to Capital Gifts (a non-operating revenue category on the f/s). We would of course again depreciate the scoreboard over its useful life. We would again NOT normally pick this up for the NCAA Schedule of Revenue/Expenses, since it's a "capital related" item. (Agree based on absence of capital expenditures from the AUP Reporting Categories.)

The public colleges/universities in Virginia have been directed by the state legislature to consistently report our athletic revenues and expenses, all related to the bigger issue in higher education about how much of student fees are used to subsidize athletics. I know the consistency issue is not only relevant to our schools, but also nationally. That is why I keep "bugging you" on this.

Thanks Again for your assistance.
Jimmy

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From: O'Barr, Jeffrey [<mailto:jobarr@ncaa.org>]
Sent: Friday, June 12, 2015 12:31 PM
To: Rule, James W - rulejw
Cc: Lafiosca, David
Subject: RE: FRS miscellaneous question - best practices document

Jimmy - We will have an updated AUP Guide that will be posted on ncaa.org no later than 6/30/2015. It has been restructured to provide clarity. We have subsequently found the best practices document and I believe the intent is to post that as well, but I need to verify. You can send your questions to me and I can answer them or get them to the appropriate party.

David – Can you confirm whether or not we will be posting the best practices document that you showed me?



Jeff O'Barr

Associate Director of Accounting

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From: Rule, James W - rulejw [<mailto:rulejw@jmu.edu>]
Sent: Friday, June 12, 2015 10:27 AM
To: O'Barr, Jeffrey
Subject: RE: FRS miscellaneous question - best practices document

Jeff,

Any ideas on whether the “best practices document” referred to in the “FY2015 Changes to NCAA Financial Reporting Revenue and Expense Categories” memo actually exists?

Also, as I mentioned previously, I’m leading a task force of Virginia’s public institutions in trying to standardize our NCAA reporting practices. Is there someone on staff you would recommend that could help answer some detailed revenue/expense questions that have cropped up?

Thanks,
Jimmy

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From: O'Barr, Jeffrey [<mailto:jobarr@ncaa.org>]
Sent: Thursday, April 30, 2015 10:21 PM
To: Rule, James W - rulejw
Cc: NCAAFRS; Norton, Joy
Subject: RE: FRS miscellaneous question - best practices document

Jimmy,

My apologies for the delay you are experiencing in getting assistance. You caught me right as I was headed out on vacation from 4/20 thru 4/24 and our finance team is in an extremely busy time with fiscal year budgets due tomorrow and this also being spring governance meetings week. I wanted to acknowledge your e-mail and let you know we will address your issue by the middle of next week. In a preliminary poll of others in our office that have touched this issue before, we have not yet uncovered or determined if a best practices document was issued. We are committed to assisting you and apologize for the delay as we juggle priorities.



Jeff O'Barr

Associate Director of Accounting

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From: DeJulio, Maria (Contractor) **On Behalf Of** NCAAFRS
Sent: Wednesday, April 29, 2015 3:11 PM
To: O'Barr, Jeffrey
Subject: FW: FRS miscellaneous question - best practices document

For you!

Maria



Maria K. DeJulio

NCAA Research Contractor

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From: Rule, James W - rulejw [<mailto:rulejw@jmu.edu>]
Sent: Wednesday, April 29, 2015 1:39 PM
To: NCAAFRS
Subject: FRS miscellaneous question - best practices document

Any chance someone could answer the question below (tried Joy Norton and JoBarr on 4/17). It relates to line 36 in the document "FY2015 Changes to NCAA Financial Reporting Revenue and Expense Categories."

Thanks
Jimmy

James W. (Jimmy) Rule
James Madison University
Associate Controller Accounting and Reporting
(540) 568-2520

Malissa,

Any luck on finding out something about the "best practices document." I have a meeting coming up in several weeks with staff from a number of Virginia public institutions, and we are working on standardizing our reporting procedures for NCAA financial reporting. I would like to report to them whether there is actually some standard guidance on allocation of administration/overhead fee calculations.

Thanks,
Jimmy

Hi James,

Thank you for your email. I am not sure of the status of the best practices document, I will confirm and get back to you.

Thanks!



Malissa Evans Hall

Assistant Director of Accounting

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Malissa,

I'm following up on a question I sent to Maria DeJulio several weeks ago. In the **FY2015 Changes to NCAA Financial Reporting Revenue and Expense Categories** document, under line 36 (indirect institutional support expense), there's the comment below:

"If further guidance is needed for common allocation methods of administrative / overhead fee calculations, consult the NCAA revenue expense reporting best practices document."

Is the best practices document available on the NCAA web-site somewhere? I've searched but cannot find it.

I'm working on a task force composed of representatives from Virginia public universities and we are attempting to standardize our NCAA reporting to the fullest extent possible. How we individually allocate expenses could be an area we want to look at, and we were hoping the document referred to above might be a good starting point.

Thanks,
Jimmy

James W. (Jimmy) Rule
James Madison University
Associate Controller Accounting and Reporting
(540) 568-2520

APPENDIX 4 – REVENUE & EXPENSE CATEGORY FREQUENTLY ASKED QUESTIONS

The NCAA published a document including [frequently asked questions](#) related to the preparation of the Schedule of Revenues and Expenses of Intercollegiate Athletics Programs. For convenience, this table of questions and answers can be seen below.

2016 NCAA Revenue Expense Reporting FAQs	
Q1	Q: Ticket Sales/Guarantees. What is the suggested reporting if our conference has revenue sharing in place?
	A: If your conference has revenue sharing for ticket revenue, then it is ok to show gross ticket sales for the home team and the residual - whether an institution is a giver or taker - should be reflected as a guarantee either on the revenue or expense side. This practice would be more appropriate than reporting a conference distribution.
Q2	Q: Ticket Sales. Away game and post-season competition normally result in an expense as the institution has to purchase the tickets that student-athletes are allowed to have for player pass. We've been including these as an "other operating expense" though they could also be considered a cost of "team travel" or "game expenses" (this category doesn't specify that it is for home events only). Others may also be netting it against this income. What is your preference?
	A: We recommend that the expense be reported in Category 28, Team Travel".
Q3	Q: We raise money through various fundraisers throughout the year. Where should the revenues be reported?
	A: Report amounts received and used in Contributions (Category 8). Do not report: Contributions to be used in other reporting years.
Q4	Q: Contributions - Are premium seating contributions to be reported as sport specific or general contributions? Is there any reason for premium seating revenue to be separated for institutional comparison purposes?
	A: The face value of the ticket should be reported to Ticket Sales category (Category 1), while any premium amounts over the face value should be reported to Contributions (Category 8) (to the specific sport in both categories if possible).
Q5	Q: Under Compensation and Benefits provided by a third party... What is meant by 'contractually guaranteed by the institution to athletics department employees'? Please provide examples of situations above when it is contractually guaranteed and not contractually guaranteed.
	A: Some employment contracts have provided income from sports camps or product sponsorships included in them. Those amounts should be reported in the report.
Q6	Q: Indirect University Support (Categories 6, 6A, and 36) lists categories the institution may include, is it the institutions choice which categories to include?
	A: It is recommended that you consult with your business office to determine an appropriate allocation of Indirect Facilities and Administrative Support.
Q7	Q: Do the indirect revenues/expenses have to be broken down by sport?

	A: You do not have to report the indirect amounts by sport. If you have that information available, it would be great, but otherwise, you can simply put the lump sum in the "unallocated by sport or gender" column.
Q8	Q: With such a broad definition for indirect institutional support, is there a concern that this category will skew the comparability of the reports?
	A: There was inconsistent reporting prior to this category being included; the intent is to at least have everyone working off of the same description. We are always working on developing some effective practices. Some indirect cost allocation methodologies might include: headcount, Federal Facilities & Administrative Cost proposal, effort to auxiliaries, or document counts.
Q9	Q: How do you treat the salaries and benefits of employees not directly included in the athletic department, but directly impact the athletic department. An example would be an employee housed in the University Relations Department.
	A: We would expect a portion of the salary to be included in the revenue category Indirect Institutional Support (Category 6) and the expense category Indirect Institutional Support (Category 36).
Q10	Q: NCAA/Conference Distributions – There are schools that include shared television revenue under Broadcast, Television, Radio and Internet Rights despite the specific statement that shares of conference television agreements belong under Conference Distributions. Which is better for institutional comparison purposes?
	A: If the conference negotiated the agreement, then it should be reported under Conference Distributions (Category 13). If the school negotiated the agreement, it should be reported under Media Rights (Category 11).
Q11	Q: Do we report NCAA special assistance fund and student athlete opportunity fund activity?
	A: Yes, include the funds received under revenue Category 12, NCAA Distributions Including all tournament revenues and report the expense under the appropriate expense line item (athletics aid, medical expenses, etc.).
Q12	Q: Travel Reimbursements and Per Diems – Should travel reimbursements and per diems for post-season be reflected as income or treated as pass-through with only the net expense being reported?
	A: The revenue should be reported as NCAA Distributions (Category 12) and the expense should go under Team Travel (Category 28).
Q13	Q: Since all schools have NCAA allocated funding from Academic Enhancement, Special Assistance and Student-Athlete Opportunity Funds, what category do you want them reported under or do you want them split by use?
	A: The revenues from these distributions should be reported under NCAA Distributions (Category 12) while the expenses paid for with these funds should be reported into the best category available based on usage.
Q14	Q: Should revenues from concessions sold at summer camps be recorded as concessions or summer camp revenues?
	A: Concessions revenue (Category 14) would appear to be the appropriate line item. But, an institution would have some discretion as long as they are consistent with the reporting from year to year.
Q15	Q: Does the NCAA Financial Reporting survey consider the revenue from licensing, concessions, & parking for athletics events?

	A: Yes. Licensing is included in Category 15 (Royalties, Licensing, Advertisements and Sponsorships) and concessions and parking are considered in Category 14 (Program, Novelty, Parking and Concession Sales). Currently, the NCAA does not suggest any particular allocation methodology between the university and athletics. It is the responsibility of the institution to determine and recognize the appropriate allocation of revenue and expenses in the survey. Further research is being conducted on these matters. NACUBO business officers will review the issue and determine if modification to the survey content is necessary.
Q16	Q: Category 16 - Sports Camp Revenues: Our fiscal reporting year ends June 30, and our athletic camps are operated over two fiscal years. Do you want all camps reported on the form or only that portion of camps conducted during the one year?
	A: Appropriate accounting cut-off should be used for reporting. It is most important to be consistent from year-to-year.
Q17	Q: I am unable to enter negative amounts in the Investment Income section. With market losses last year our Investment Income on endowment accounts are actually losses. How does a loss get entered?
	A: Category 17 should only be used to report endowment/investment income up to the amount used for the operations of intercollegiate athletics. The purpose of this reporting is to capture "operating revenue and expenses."
Q18	Q: Are gains on an endowment funds included in Endowment & Investment Income?
	A: Only report in Category 17, Athletics Restricted Endowment and Investment Income, amounts up to the amount of expenses covered by the endowment for the reporting year.
Q19	Q: Income Category 18 (Other Operating Revenue) suggests to 'reclassify' revenue to an appropriate category if over 10%. What if this revenue does not fit any other category, such as parking revenue?
	A: Please review all items included in "Other Operating Revenue" to make sure none of them would be more appropriate in another category. If not, there is no choice but to exceed the 10% recommended threshold. We revised the definition of the "Other Operating Revenue" to be dealt with like the "Other Operating Expenses" – if you go over the 10% recommended threshold, please list the top 3 activities in the comments section. Please also note that parking revenue should be recorded in Category 14 (Program, Novelty, Parking and Concessional Sales).
Q20	Q: Where should we report tournament entry fees, both paid and received?
	A: Include tournament entry fees in "Other Operating" for both revenues and expenses, Categories 18 and 40, respectively.
Q21	Q: Are 'student athlete opportunity fund' monies provided to athletes to be considered 'student aid?'
	A: If the monies are used for summer tuition, fees, room and board or required course-related books, then it should be included in athletics aid. If the monies are used for another purpose, please attempt to include it in the appropriate line item, for example, Medical Expenses and Insurance (Category 37) or Other Operating Expenses (Category 40).
Q22	Q: If we can identify a GA, team manager etc., who is receiving athletics financial aid to a specific sport, should the aid still be reported in 'expenses not related to specific teams'?
	A: Yes, because this type of aid is not student-athlete aid, it needs to be reported as Not Related to a Specific Sport.

	Q: How do we exactly determine the FTE of part-time coaches, student assistants and graduate assistants?
Q23	A: There are a few ways that an institution can use to calculate the FTE. (1) Use the length of the sport's season and compare with the calendar year. If a sport is four months in length, the FTE would then be .33.(2) Look at the amount of time a coach spends coaching and compare that with a full-time position.(3) This is probably the most accurate and consistent way. Take the salary that you are paying the individual for coaching and relate that to what a full-time salary would be. For example, if you are paying a coach \$5,000 and a full-time salary would be \$20,000, the FTE would be .25.
Q24	Q: With regard to the FTE question on coaches, should I report a coach who is hired 3/4 time, their exact salary or their FTE salary? A: You would report their FTE salary (3/4 of their full pay).
Q25	Q: If the coach receives amounts in excess of his guaranteed amount (i.e. for outside speaking) does his guarantee get reported or the total amount earned? A: The total amount earned should be reported.
Q26	Q: If coaching compensation is paid out of a Foundation, is it reportable for NCAA purposes? A: Yes. Report the coaching compensation under Category 22 "Coaching Salaries, Benefits, and Bonuses Paid by the University and Related Entities." Foundations and booster clubs are considered related entities.
Q27	Q: What about non-interest loans to an athletic director? How would we report that? A: Any benefit to the athletic director should be included on the report. Please discuss with the business office or payroll administrator the benefits received and include in Category 22 (Coaching Salaries, Benefits and Bonuses paid by the University and Related Entities).
Q28	Q: Explain reporting requirements with respect to student earnings. What distinctions, if any, need to be made in reporting on student financial aid for non-athletes (i.e. managers, statisticians, public information assistants, etc)? A: Student earnings should be reported as Support Staff/Administrative Compensation (Categories 24 or 25). However, student aid for tuition, books, etc. should be reported under Athletics Student Aid (Category 20) Not Related to a Specific Sport.
Q29	Q: Work study money is reported in revenue; where do we report the expense? A: It would be reported as Support Staff/Administrative Compensation (Category 24).
Q30	Q: Support Staff/Administrative Compensation, Benefits and Bonuses Paid by the University and Related Entities – Should all salaries be included here? When institutions have dual-reports and transfer monies (including salaries) to other units on campus, should they split those allocations to the various categories? Should part-time and student support staff hourly wages and benefits be included in this category or just full-time staff? A: The percentage of the salary that is athletically-related should be reported. Any part-time or student support staff should be included as well.
Q31	Q: With regard to Category 22 (Coaching Salaries) in the Revenue/Expense worksheet, do I exclude volunteer assistant coaches, and only include those that received pay?

	A: Yes, this item is only for those coaches who are paid. Volunteer coaches will only appear on the item where you are breaking out the number of coaches who work full or part time and their employment status (full or part time) at the university.
Q32	Q: When entering a coach's salary, do you enter their total salary, or do you factor out the portion of their salary as a fraction of the total, based on the FTE that you assigned determined by their coaching responsibility?
	A: You are correct; we only want the amount of salary paid for coaching. Factoring out by the FTE is the correct way to do so.
Q33	Q: Recruiting – Should all postage and telephone charges be included? Not all charges are recruiting related. Some schools try to allocate a portion of telephone and postage, some report all of it and some report none because they don't know how to allocate between recruiting and non-recruiting. This may not be large enough to worry about, but it does raise questions when completing the report.
	A: The recruiting portion of postage and telephone should be allocated based on the university's practice. If uncertain of an allocation method, contact your university business office.
Q34	Q: We have coaches with leased cars that are being charged entirely to Recruiting. Since we can only recruit for so many months per year, do we have to reallocate a portion of this cost?
	A: Correct, if the expense is not truly "recruiting," then it should be reclassified/reallocated. You may want to check with your business office to determine if the amount should be reclassified to benefits for those coaches.
Q35	Q: Fundraising, Marketing and Promotion – Since this is a separate category but also relates to a couple of actual operating areas in most athletic departments, it's confusing as to how to allocate their everyday operating expenses. I would consider most of their day-to-day expenses to go in this category rather than Other Operating Expenses but I would imagine everyone views it differently.
	A: This should be allocated based on your university's practices. If uncertain of an allocation method, contact your university business office.
Q36	Q: Where do the expenses for hosting an NCAA event go on the NCAA report? 'Other expenses' not attributed to a specific sport, or should they be under the sport that was hosted?
	A: Report the expenses in their appropriate categories, such as game expenses, under the sport that was hosted.
Q37	Q: Spirit Groups – Should post-season costs for this group be included here, in team travel or in perhaps a new post-season travel category? Marching band expenses for a bowl game would significantly change this line item.
	A: The post-season component should be included with other spirit group expenses. Bowl related expenses are to be reported in Category 41.
Q38	Q: Medical Expenses and Medical Insurance – Should the amount include or exclude travel for medical treatment and drug testing?
	A: The travel associated with medical treatment and drug testing can be reported in this category. If this is a significant amount, document it in the comments section.
Q39	Q: Medical Expenses and Medical Insurance: Are we to include only medical expenses NOT paid by our insurance company for student athlete claims in addition to the medical insurance premium paid by the Department for the policy?

	A: Include medical expenses and medical insurance premiums, deductibles and self-insurance expenses paid by the athletics department on behalf of student-athletes. Do not include medical expenses paid by the insurance carrier.
Q40	Q: Does the Fund Raising, Marketing and Promotion expense area include salaries, and other expense?
	A: It does not include compensation, salaries for non-coaches should be included in Support Staff/Administrative Compensation (Categories 24 and/or 25).
Q41	Q : Should male practice players count as participants?
	A: The federal EADA requires male practice players be counted as participants. Institutions should work with the DOE on the appropriate means of including these individuals. The NCAA financial report does not want male practice players to be included, as we collect that data elsewhere.
Q42	Q) Is there any clarification for the definition of scheduled scrimmages?
	A: The federal EADA clarifies that the first date of competition, when EADA rosters are set, can begin with a scrimmage. Specifically: A scheduled scrimmage meets the definition of a team's first scheduled contest if the score counts. If the scrimmage is played just for fun or practice and the result of the scrimmage doesn't matter in the long run, it wouldn't count. NCAA members should consider that NCAA designations of championship/nonchampionship season are not relevant in this circumstance. As an example, a fall baseball game, where score is kept, might be the EADA-relevant first date of competition.
Q43	Q: I am a little confused on how to enter multi-sport student athletes in the Athletics participation screen. For example, how should I enter a student athlete who plays football, swims and does outdoor track?
	A: You enter him in all three sports across all three columns (number of participants, number of participants participating on a second team, number of participants participating on a third team). So, he will appear 9 times on the sheet, but the "behind the scenes" calculation will figure out the non-duplicated count.
Q45	Q: Why are fund balances excluded from reporting?
	A: The report is intended to cover revenues and expenses only, not balance sheet items.
Q46	Q: For private institutions, what revenue category is appropriate for release of prior year net assets?
	A: Report these funds in Contributions (Category 8).
Q47	Q: What should be included in debt service?
	A: Debt service is defined as "the series of payments of interest and principal required on a debt."
Q48	Q: How is depreciation expense be reported for equipment?
	A: Depreciation expense is no longer reported in the expense categories. Please exclude all depreciation expense. This includes any depreciation for State owned equipment.
Q49	Q: Where should Bowl related revenues and expenditures be reported?
	A: Bowl Revenues should be reported in the NEW Category 19 and Bowl Expenses should be reported in the NEW Category 41.
Q50	Q: Given the new Category 39, Student-Athlete Meals (non-travel), should we report meals provided as part of student-aid room and board in this category or keep it in Category 20, Athletic Student Aid?

FINAL

	<p>A: Meals provided as a part of Student-Aid should remain in Category 20, Athletic Student Aid. Enhanced meals, over and above a campus meal plan provided as part of student aid should be reported in the NEW Category 39 along with study table meals and snacks provided in accordance with the new expanded bylaws on the subject.</p>
Q51	<p>Q: Where should we report capital expenditures?</p>
	<p>A: Capital expenditures should be reported in the NEW Category 56, Total Athletics Related Capital Expenditures under Other Reporting Items. These expenditures should be excluded from any other expense reporting category.</p>